

Exhibit 321

(Filed Under Seal)

1

2 * C O N F I D E N T I A L *
3 UNITED STATES DISTRICT COURT
4 SOUTHERN DISTRICT OF NEW YORK

5 THE PEOPLE OF THE STATE OF NEW YORK, by
6 and through ERIC T. SCHNEIDERMAN, Attorney
7 General of the State of New York,
8 Plaintiff,
9 -against-
10 ACTAVIS, PLC and FOREST LABORATORIES, LLC,
11 Defendants.

12 Civil Action File No. 14-CV-7473

13 October 31, 2014
14 9:42 a.m.

15
16
17 DEPOSITION of STEVEN FERRIS,
18 taken by Plaintiff, pursuant to Notice,
19 held at the offices of WHITE & CASE, LLP,
20 1155 Avenue of the Americas, New York, New
21 York before Wayne Hock, a Notary Public of
22 the State of New York.

23

24

25

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516-608-2400

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2 APPEARANCES:
3
4 STATE OF NEW YORK
5 OFFICE OF THE ATTORNEY GENERAL
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7 Attorneys for Plaintiff
8 120 Broadway
9 New York, New York 10271
10 BY: ELINOR HOFFMANN, ESQ.
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15 WHITE & CASE, LLP
16 Attorneys for Defendants
17 1155 Avenue of the Americas
18 New York, New York 10036
19 BY: EILEEN COLE, ESQ.
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21 JAYASHREE MITRA, ESQ.
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23
24 ALSO PRESENT:
25
17 JAMES ROBERTS, Videographer
18 RYAN COLETTI
19 * * *

2
3 THE VIDEOGRAPHER: Good morning.
4 We're now on the record.
5 Please note that the microphones
6 are sensitive and may pick up
7 whispering and private conversations.
8 Please turn off all cell phones
9 or place them away from the
10 microphones as they can interfere with
11 the deposition audio.
12 Recording will continue until
13 all parties agree to go off the
14 record.
15 My name is Jim Roberts
16 representing Veritext with offices in
17 New York City, New York.
18 Today's date is October 31,
19 20134. The time is approximately 9:42
20 a.m.
21 This deposition is being held at
22 White and Case located at 1155 Avenue
23 of the Americas, New York City, New
24 York and is being taken by counsel for
25 the plaintiff.
The caption of the case is the

1
2 People of the State of New York versus
3 Actavis PLC and Forest Laboratories,
4 LLC. The case is filed in the U.S.
5 District Court Southern District of
6 New York, case number 14-CV-7473.
7 The name of the witness is Dr.
8 Steven Ferris.
9 Counsel will please state their
10 appearances for the record.
11 MS. HOFFMANN: Elinor Hoffmann,
12 deputy bureau chief of the antitrust
13 bureau, New York Attorney General's
14 Office.
15 MR. ANTEL: Joseph Antel also
16 with the New York Attorney General's
17 Office.
18 MS. COLE: Eileen Cole, White and
19 Case, representing the witness and
20 Actavis and Forest.
21 MS. MITRA: Jayashree Mitra
22 representing the witness and Actavis
23 and Forest.
24 MR. COLETTI: Ryan Coletti from
25 Actavis and Forest.

4
1
2 THE VIDEOGRAPHER: Our court
3 reporter Wayne Hock also of Veritext
4 will please swear in the witness.
5 STEVEN FERRIS, having
6 been first duly sworn by a
7 Notary Public of the State of
8 New York, upon being
9 examined, testified as follows:
10 EXAMINATION BY
11 MS. HOFFMANN:
12 Q. Good morning, Dr. Ferris. My
13 name is Elinor Hoffmann. I'll be asking
14 you questions today.
15 Could you please state your name
16 and address for the record, please.
17
18 Q. Okay.
19 Dr. Ferris, this is a
20 deposition. You are under oath. The
21 court reporter is taking down your every
22 word. Please be careful to speak up.
23 If you don't understand a
24 question that I ask, please ask me to

2 (Pages 2 to 5)

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<p style="text-align: right;">106</p> <p>1 S. Ferris -- CONFIDENTIAL 2 donepezil is the most widely used CI; is 3 that correct? 4 A. Yes, I believe that's correct 5 based on general information, general 6 knowledge in the field, but I couldn't 7 talk to specifics. 8 Q. And I believe you also told me 9 that the CIs generally work using the same 10 mechanism; is that correct? 11 MS. COLE: Objection. Misstates 12 prior testimony. 13 A. I don't think it would be 14 correct to say they use the same 15 mechanism. They generally work with 16 respect to similar mechanisms but there 17 are subtleties. They're not the same, 18 their receptor targets, so some have 19 slightly different breadth of effect on 20 different neurochemical systems or 21 subsystems. But they all have -- they 22 share a common effect in inhibiting 23 acetylcholinesterase, but they're not by 24 any means the same. 25 Q. Why would a physician, based on</p>	<p style="text-align: right;">107</p> <p>1 S. Ferris -- CONFIDENTIAL 2 your observations, your knowledge of the 3 area, choose donepezil over let's say 4 rivastigmine? 5 MS. COLE: Objection. Vague. 6 A. Well, there are a number of 7 things that have to be more specific. You 8 have to examine that question in the 9 context of what period of time you're 10 talking about because there's been an 11 evolution in the formulations of some of 12 these compounds over a fair amount of 13 time. 14 Q. Let's say currently. 15 A. Currently? 16 The reason I say that is because 17 the original reason why Aricept was so 18 successful compared to the others, apart 19 from the fact that it was a little earlier 20 onto the market by several years, was the 21 dosing regimen. So that the Aricept from 22 the beginning was long acting and was 23 dosed once per day whereas the only two 24 cholinesterase inhibitors as they 25 sequentially came on the market several</p>
<p style="text-align: right;">108</p> <p>1 S. Ferris -- CONFIDENTIAL 2 years and several years after that onto 3 the market, they were twice-a-day dosing. 4 And so Aricept had a big leg up in terms 5 of significant advantages in terms of 6 dosing which were, you know, universally 7 understood by prescribers and users. 8 The other reason is that these 9 drugs, because they're biochemically 10 different, vary in their extent of typical 11 cholinesterase inhibitor side effects 12 which are GI side effects, GI system side 13 effects related to causing some degree of 14 nausea, sometimes vomiting, and also 15 diarrhea. 16 So those are the sort of three 17 kind of typical side effects of this type 18 of compound and it has to do with 19 peripheral cholinergic effects as opposed 20 to brain cholinergic effects, at least 21 that's the belief about why you get those 22 side effects. 23 So Aricept for, for a whole 24 bunch of reasons which I went get into, 25 historically in its original form was</p>	<p style="text-align: right;">109</p> <p>1 S. Ferris -- CONFIDENTIAL 2 noticeably less significant in regard to 3 those kinds of side effects. So for those 4 two reasons, it has the same side effects 5 but a milder version of those side effects 6 but particular because of the once-a-day 7 dosing, which I think was quite 8 significant, it led it to be by far the 9 market leader. 10 Now, of course what's happened 11 over the years is the other two compounds 12 were subsequently developed in different 13 dosing administration versions such that 14 they, too, are now once a day. 15 So each of those drugs in the 16 current usage are once-a-day 17 administrations. 18 Q. I'm going to ask you about that. 19 So when Aricept was launched, 20 was rivastigmine already on the market? 21 A. No, it was not. 22 Q. Was galantamine already on the 23 market? 24 A. No, it was not. 25 Q. And when was rivastigmine</p>

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